

Reconsideration and withdrawal of the requirement for restriction are respectfully requested in view of the remarks which follow:

#### **RESTRICTION REQUIREMENT**

Restriction to one of the following inventions is required under 35 U.S.C. 121:

- I. Claims 1-15, 30-50 and 78-80 drawn to a method for providing bond or guaranty coverage, classified in class 705, subclass 39.
- II. Claims 16-20, 62, and 70-74 drawn to a method for guarding against default, classified in class 705, subclass 38.
- III. Claims 21, 54-57, 60, 61, 63-69 and 75-77 drawn to a method of conducting Internet auction, classified in class 705, subclass 37.
- IV. Claims 51-53, 58 and 59 drawn to a method for conducting online transaction, classified in class 705, subclass 26.
- V. Claims 22-29, 81 and 82 drawn to a method for conducting Internet online transaction containing receiving a claim from the second entity in response to a first entity default, classified in class 705, subclass 4.

In an attempt to justify the requirement for restriction, the Examiner has taken the position that:

Inventions are related as subcombinations disclosed as usable together in a single combination. The subcombinations are distinct from each other if they are shown to be separately usable. See MPEP § 806.05(d). In the instant case, invention has separate utility such as:

Inventions I, II, III, IV, and V have separate utility such as: the invention I

drawn to a method a method for providing bond or guaranty coverage, in contrast, the invention II drawn to a method for guarding against default, the invention III drawn to a method for conducting Internet auction, the invention IV drawn to a method for conducting online transaction, the invention V drawn to a method for conducting online transaction containing receiving a claim from the second entity in response to a first entity default. Therefore, the invention I, II, III, IV, and V are shown to be separately usable.

The requirement asserts that:

Because these inventions are distinct for the reasons given above and have acquired a separate status in the art as shown by their different classification, restriction for examination purposes as indicated is proper.

### **Discussion Of Telephone Interviews With Examiner**

Further to Applicants' Paper Confirming Telephone Conversations With Examiners And Request For Remailing Of New Office Action Restarting Period For Response filed June 5, 2006, Applicants once again confirm telephone calls with Examiner Nguyen and Supervisory Patent Examiner Souh including telephone calls on May 10, 2006 and June 5, 2006 and a follow up telephone call on June 7, 2006.

During these telephone calls Examiner Nguyen indicated that the May 5, 2006 Office Action is improper and would be withdrawn, and a new Office Action will be mailed restarting the period for response.

### **Election**

In order to be responsive to the requirement for restriction, Applicants elect Group III, including claims 21, 54-57, 60, 61, 63-69 and 75-77, with traverse.

For the reasons set forth below, Applicants submit that the restriction

requirement is improper, and should be withdrawn, whereby an action on the merits of all of the pending claims is warranted.

### **Traverse**

Notwithstanding the election of the claims of Group III, including claims 21, 54-57, 60, 61, 63-69 and 75-77, in order to be responsive to the requirement for restriction, Applicants respectfully traverse the requirement.

Initially, it is pointed out that the requirement for restriction omits one of the two criteria of a proper requirement as now established by U.S. Patent and Trademark Office policy, as set forth in MPEP 803, i.e., that "an appropriate explanation" must be advanced by the Examiner as to the existence of a "serious burden" if a restriction were not required. Due to the aforementioned omission, it is respectfully submitted that the requirement for restriction is improper and, consequently, its withdrawal is respectfully requested.

Related to this, the requirement is traversed since there would not appear to be a serious burden to examine Applicants' application in total, and for which they have paid the appropriate claim fees. Applicants submit that it would be no serious burden on the Examiner to examine all of the pending claims, because a search for all of the claims in the above-identified application, should be made in order to do a complete and thorough search in view of the recognized relationship for examination purposes between the claims in the five groups of invention.

Moreover, the Examiner has already performed a search and examination on claims

16-21, 51-57 and 60-82 in the Office Action mailed May 5, 2006, which action has been withdrawn, but which has already required examination of the elected claims by the Examiner. Therefore, in accordance with 37 CFR 1.104, the claims have already been examined for a first action on the merits, and the Examiner should have no undue burden to examine these claims. Thus, Groups I, II, IV and V, all of which Groups include claims that have previously been examined by the Examiner, should all be examined in the next Office Action along with elected Group III.

Applicants point out that the Examiner supports the requirement for restriction based upon their different classification. Specifically, as discussed above, the requirement contends that each of the five Groups of invention is classified in Class 705; however, the requirement contends that each of the Groups of invention is classified in a different subclass in Class 705. There is no indication in the requirement that the search for each of the Groups of invention would not be coextensive. For example, the requirement does not indicate that a search of each of the five different subclasses would not be required even though, for example, Group III has been elected.

Still further, the requirement does not indicate how the five groups of claims are considered to be subcombinations. Accordingly, if the requirement is maintained, the Examiner is once again respectfully requested to provide further supporting evidence for maintaining the restriction, especially when the requirement does not provide support for a serious burden for examining the five groups of invention.

Because a search of each of the inventions would appear to be at least related, and should certainly overlap if not actually be coextensive, there would be no serious burden on the Examiner to examine all of the claims in this application. For this reason, and consistent with Office policy set forth in MPEP 803, Applicants respectfully request that the Examiner reconsider and withdraw the requirement for restriction.

**Applicants remind the Examiner that this application has been awarded Special Status in a Decision on Petition to Make Special (Infringement) mailed November 19, 2004. Applicants therefore respectfully request that the Special Status of this application be considered, and that this application should be taken up for immediate action, especially in view of the erroneously mailed Office Action on the merits and the mailing of two Restriction Requirements.**

In view of the foregoing, it is respectfully requested that the Examiner reconsider the requirement for restriction, and withdraw the same so as to give an examination on the merits on all of the claims pending in this application.

**CONCLUSION**

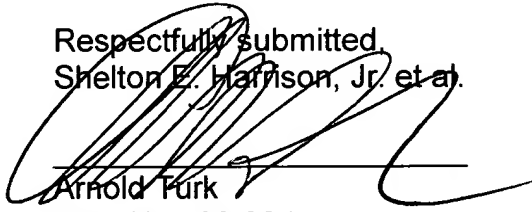
For the reasons discussed above, it is respectfully submitted that the Examiner's requirement for restriction is improper and should be withdrawn.

Withdrawal of the requirement for the restriction with the examination of all claims pending in this application is respectfully requested.

Favorable consideration with early allowance of the pending claims is most earnestly requested.

If the Examiner has any questions, or wishes to discuss this matter, please call the undersigned at the telephone number indicated below.

Respectfully submitted,  
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